Office of Communications • Mark Dallas Loeffler, Director 1700 N. Congress Ave. • Austin, TX 78701-1495 • 512-463-5339 • FAX: 512-475-1415

PRESS RELEASE

Texas taxpayers won't foot the bill for Texas City Dike cleanup

Industry to pay the bill, cleanup won't impact \$20 million fund set aside for oil spill

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Contact: Jim Suydam 1(512)463-9212 jim.suydam@glo.texas.gov

AUSTIN, Texas — Texas Land Commissioner Jerry Patterson today announced the aggressive response to clean up the oil spill off the Texas City Dike won't affect the state's \$20 million fund to clean up oil spills. The party ultimately found responsible for the spill will pay all the bills.

That \$20 million fund, Patterson said, is evidence that Texas is not only better prepared than any other state in the nation to respond to oil spills, but at preventing such spills in the first place.

"In Texas, we're ready," Patterson said. "I think the rest of the nation could learn a few lessons from us when it comes to planning ahead and preparing for oil spills."

The Oil Spill Prevention and Response Division of the Texas General Land Office is funded with a 1.3 cent per barrel fee assessed on oil passing through Texas ports. That fund pays for prepositioned equipment such as skimmers, air boats and oil boom at five offices along the Texas coast, staffed full-time by GLO oil spill response experts who have spent years working with local contractors, local governments and the U.S. Coast Guard preparing to respond to any oil spill in Texas waters.

"In Texas, our oil spill folks already know their federal and industry counterparts when there's an emergency because they've worked together before, in drills or responding to an actual spill," Patterson said. "Responding to a crisis is not the time to be meeting your partners or determining who is in charge."

Patterson said this level of cooperation between industry, local, state and federal responders in Texas ensures a quick and effective response.

Funds are available when it comes to oil spill response in Texas, thanks to the Texas Legislature's foresight in passing the Oil Spill Prevention and Response Act of 1991, shortly after the Exxon Valdez spill. In the case of an oil spill from an unknown source, Texas has \$20 million set aside for cleanup costs. That \$20 million fund is from the 1.3 cent tax on imported oil coming through Texas ports.

The cost to the consumer for this fund is negligible: About 7/1,000 of a penny per gallon of gasoline refined in Texas.

"I think the Texas response to oil spills in general shows that it really pays to plan ahead," Patterson said.

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